

Message Text

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PAGE 01 MANAGU 03604 01 OF 02 302306Z

63

ACTION ARA-20

INFO OCT-01 ADP-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-15

OMB-01 AID-20 TRSE-00 HEW-08 AGR-20 COME-00 EB-11

LAB-06 SIL-01 RSR-01 /157 W

----- 101106

R 302100Z AUG 73

FM AMEMBASSY MANAGUA

TO SECSTATE WASHDC 2351

INFO AMEMBASSY GUATEMALA

AMEMBASSY SAN JOSE

AMEMBASSY TEGUCGALPA

AMEMBASSY SAN SALVADOR

USCINCSO

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USCINCSO FOR POLAD

E. O. 11652: N/A

TAGS: PINT, NU

SUBJECT: GENERAL SOMOZA HOLDS PRESS CONFERENCE

1. SUMMARY: ON AUGUST 29 GENERAL ANASTASIO SOMOZA HELD HIS FIRST FORMAL PRESS CONFERENCE AS PRESIDENT OF THE NATIONAL EMERGENCY COMMITTEE (NEC). FOLLOWING 30 MINUTES OF ANNOUNCEMENTS AND INTRODUCTORY REMARKS, SOMOZA SPENT AN HOUR AND TEN MINUTES FIELDING SOME 36 QUESTIONS ON A VARIETY OF TOPICS. ON BALANCE, THE SOMETIMES SPIRITED EXCHANGE WAS BOTH INTERESTING AND VALUABLE. SHOWING OCCASIONAL FLASHES OF ANGER AND HIS USUAL SELF CONFIDENCE, THE GENERAL MIXED QUICK DECISIVE ANSWERS WITH VAGUE, EVASIVE RESPONSES. THE MEDIA REPRESENTATIVES PROVED SURPRISINGLY EQUAL TO THE TASK, ASKING GOOD, OFTEN BLUNT, QUESTIONS AND UNFLINCHINGLY HOLDING THEIR GROUND IN THE FACE OF THE GENERAL'S

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PAGE 02 MANAGU 03604 01 OF 02 302306Z

AGGRESSIVE INTERRUPTIONS. THE FOLLOWING IS A REPORT ON THE

HIGH POINTS OF THE EVENT. END SUMMARY.

2. SOMOZA OPENED WITH THE FOLLOWING ANNOUNCEMENTS:

A. THE "CONCEPTUAL" MEXICAN PLAN FOR MANAGUA IS READY, BUT FORMAL PRESENTATION HAS HAD TO BE POSTPONED BECAUSE OF THE RECENT EARTHQUAKES IN MEXICO. THE MEXICAN MINISTER OF PUBLIC WORKS AND HIS TEAM ARE NOW SCHEDULED TO PRESENT IT IN MANAGUA ON SEPTEMBER 11.

B. UNDER THE SPONSORSHIP OF THE MINISTRY OF EDUCATION SCHOOL STUDENTS WILL WRITE COMPOSITIONS ON "WHAT THE NEW CITY OF MANAGUA SHOULD BE" TO PRESENT TO THE NATIONAL DISTRICT MINISTRY FOR ITS CONSIDERATION. THIS IS TO ENABLE FUTURE GENERATIONS WHO MUST LIVE IN THE CITY TO HAVE A VOICE IN ITS PLANNING AND CONSTRUCTION.

C. ALL NICARAGUAN ARCHITECTS WILL BE ASKED TO COMPETE IN SUBMITTING DESIGNS FOR THE NEW "CIVIC CENTER" WHICH WILL HOUSE ALL MAJOR GOVERNMENT OFFICES.

D. MANAGUA PROPERTY OWNERS WILL BE ALLOWED TO REVALUE THEIR LANDS AND BUILDINGS FOR TAX PURPOSES TO ACCORD WITH THE CHANGED SITUATION.

E. ALL MAJOR ECONOMIC INDICES FOR THE FIRST EIGHTS MONTHS OF 1973 ARE HIGHLY FAVORABLE AND SURPASS FIGURES FOR 1972. THEY INDICATE A "MIRACULOUS RECOVERY" AND RESURGENT ECONOMY. INTERNATIONAL EXPERTS ARE SURPRISED AND IMPRESSED BY THESE FIGURES AND NICARAGUANS CAN JUSTLY TAKE PRIDE IN THEIR PERFORMANCE.

F. IN VIEW OF WORLDWIDE INFLATIONARY PRESSURES AND THE EXCELLENT PROSPECTS FOR EXPORT EARNINGS, THE NEC WILL ASK THE NATIONAL GOVERNING COUNCIL TO CONVENE THE MINIMUM SALARY COMMISSION WHICH WILL PROMPTLY STUDY RURAL AND URBAN WAGES TO DETERMINE WHAT ACTION SHOULD BE TAKEN. THE NEC WILL ALSO REQUEST THE COUNCIL TO INSTRUCT ALL GOVERNMENT ENTITIES TO INCLUDE IN THEIR BUDGETS APPROPRIATE SALARY INCREASES FOR "LESS FAVORED" CIVILIAN AND MILITARY EMPLOYEES TO TAKE LIMITED OFFICIAL USE

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PAGE 03 MANAGU 03604 01 OF 02 302306Z

EFFECT JANUARY 1, 1974.

3. IN REPLY TO SPECIFIC QUESTIONS, GENERAL SOMOZA MADE THE FOLLOWING COMMENTS OF INTEREST:

A. THE INTERNATIONAL PETROLEUM SITUATION AUGERS FOR PRICE INCREASES IN NICARAGUA. HOWEVER, LOCAL PROCESSORS AND DISTRIBUTORS WILL HAVE TO HOLD DOWN THEIR COSTS, BE PATIENT,

NOT TRY TO DECEIVE THE GOVERNMENT AND EXPECT ONLY ABSOLUTELY
NECESSARY INCREASES.

B. SOMOZA REFUSED TO GO BEYOND HIS PREVIOUS STATEMENT ON
THE ORPHANS' HOME CONTROVERSY, THOUGH HE INSISTED THAT THE
CRITERIA WAS NOT "LEAST POSSIBLE COST" BUT RATHER "WHAT IS
WITHIN OUR MEANS."

C. THE CORDOBA IS STRONGER THAN EVER AND WILL NOT BE
DEVALUED. WITH RESERVES OF US\$132 MILLION, TALK OF
DEVALUATION IS "ABSURD."

D. RECENTLY AGREED INCREASES IN MANAGUA BUS FARES AND BUS DRIVERS
SALARIES WERE DETERMINED BY A PROPER STUDY AND ACCOMPLISHED
WITHIN THE LAW RATHER THAN BY ILLEGAL STRIKES.

E. EXTENSIVE RETAIL PRICE CONTROLS ARE UNFEASIBLE IN
NICARAGUA, AS IN OTHER CAPITALISTIC COUNTRIES, THOUGH THE GOV
WILL DO WHAT IT CAN TO HOLD DOWN COSTS OF LOCALLY PRODUCED
GOODS. IN THE FINAL ANALYSIS THE LAW OF SUPPLY AND DEMAND
WILL HAVE TO CONTROL PRICES. IN THIS REGARD, THE ANTICIPATED
BOUNTIFUL HARVEST SHOULD SIGNIFICANTLY LOWER PRICES OF MANY
BASIC FOODSTUFFS.

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PAGE 01 MANAGU 03604 02 OF 02 302318Z

63
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F. DISTRIBUTION OF FREE, EMERGENCY FOOD WILL DEFINITELY END OCTOBER 1 WHEN ADEQUATE DOMESTIC SUPPLIES WILL BE AVAILABLE. THE GON BELIEVES THERE IS AMPLE EMPLOYMENT FOR THE ABLE AND WILLING AND THE EXPANDED COFFEE COTTON, CORN AND SUGAR HARVESTS MAY EVEN RESULT IN A LABOR SHORTAGE.

G. THE MINISTER OF FINANCE WILL ISSUE A DETAILED REPORT ON THE DISPOSITION OF RELIEF AND RECONSTRUCTION ASSISTANCE CONTROLLED BY THE NEC.

H. THE GENERAL IS AWARE OF THE RECENT VENEZUELAN INITIATIVE ON CUBA, BUT A STATEMENT OF THE GON POSITION MUST COME FROM THE FOREIGN MINISTER.

I. ANY INCREASED FINANCIAL SUPPORT FOR THE NATIONAL UNIVERSITY (UNAN) WILL HAVE TO ACCORD WITH NATIONAL PRIORITIES. THE
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PAGE 02 MANAGU 03604 02 OF 02 302318Z

NEC MIGHT BE MORE SYMPATHETIC TO SUCH REQUESTS IF THE STUDENTS WOULD STUDY MORE AND STRIKE LESS AND NOT USE THEIR CAMPUSES TO ASSIST WORKERS CONDUCTING ILLEGAL STRIKES.

4. IN THE POLITICAL AREA, THE FOLLOWING RATHER SHARP QUESTIONS AND ANSWERS WERE EXCHANGED:

Q. SINCE THE GENERAL WAS CURRENTLY BEING PROCLAIMED AS THE LIBERAL PARTY (PLN) 1974 PRESIDENTIAL CANDIDATE AT MANY LARGE RALLIES, WOULD HE ACCEPT?

A. THIS IS "NOT RELEVANT" SINCE I AM STILL ON ACTIVE MILITARY DUTY AND POLITICAL ACTIVITY IS PROHIBITED.

Q. DID THE HIGHLY FAVORABLE EIGHT MONTH ECONOMIC INDICATORS AND MIRACULOUS RECOVERY MEAN MARTIAL LAW WOULD BE LIFTED?

A. MARTIAL LAW, WHICH IS IN FORCE ONLY IN THE NATIONAL DISTRICT AND APPLIED ONLY WHEN STRICTLY NECESSARY, WILL BE ALTERED WHEN WE FIND IT CONVENIENT TO DO SO.

Q. SINCE THE HONORABLE SOMOZA FAMILY HAS RULED NICARAGUA FOR ALMOST 40 YEARS, MIGHT IT NOT CONSIDER RETIRING TO ITS

PRIVATE INTERESTS TO LET SOME OF THE MANY OTHER QUALIFIED NICARAGUANS HAVE A CHANCE AND ALLOW THE PEOPLE A FREE CHOICE?

A. THE PLN HAS RULED NICARAGUA AND ITS SELECTION OF THE SOMOZAS HAS BEEN A PARTY DECISION WHICH THE FAMILY HAS ACCEPTED AS ITS DUTY. IF ANOTHER PERSON HAS THE BACKING OF THE PLN, THEN LET HIM COME FORWARD.

Q. IN VIEW OF THE GENERAL'S RECENT STATEMENTS SUPPORTING FREEDOM OF THE PRESS, WHAT IS HIS OPINION OF ASSEMBLY PRESIDENT HUECK'S CALL FOR A STRONG LIBEL LAW?

A. I BELIEVE IN A FREE PRESS BUT IN NICARAGUA SOME PERSONS ABUSE THIS FREEDOM TO THE POINT THAT CITIZENS LIVE IN FEAR OF BEING ATTACKED BY EDITORS AND REPORTERS. A STRONG LIBEL LAW WILL NOT WEAKEN FREEDOM OF THE PRESS BUT RATHER STRENGTHEN IT SINCE IT WILL FORCE THE MEDIA TO BE MORE LIMITED OFFICIAL USE

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PAGE 03 MANAGU 03604 02 OF 02 302318Z

ACCURATE IN THEIR REPORTS.

Q. DO RECENT REPORTS IN THE INTERNATIONAL PRESS WHICH CRITICIZE YOU PERSONALLY PREJUDICE NICARAGUA?

A. YES, AND THIS SERIOUSLY DISTURBS ME. THESE STORIES COME FROM MY POLITICAL OPPONENTS WHO PUT THEIR POLITICS AHEAD OF THE NATION'S WELFARE. THEY TELL LIES AND TRY TO STOP AID FROM COMING TO NICARAGUA. WE HAVE OPEN MEETINGS OF THE NEC BUT THEY NEVER PUBLISH THE INFORMATION WE GIVE OUT. IF THEY DID THIS IN CUBA, THEY WOULD BE SHOT, BUT WE HAVE FREEDOM OF THE PRESS HERE. HOWEVER, THIS AGAIN PROVES THE NEED FOR A STRONG LIBEL LAW.
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